

WILKINSBURG BOROUGH COUNCIL MEETING
Work Session
July 18, 2012

CALL TO ORDER

President Cohn called the meeting to order at approximately 6:37 PM in Council Chambers, second floor of the Municipal Building, 605 Ross Ave., Wilkinsburg, PA.

ROLL CALL

The roll was called to establish a quorum. Council members present were: Mr. Lefebvre, Ms. Evans Ms. Trice, Ms. Moore, Ms. Goodman, Ms. McCarthy-Johnson and President Cohn. Also present was Marla P. Marcinko, Borough Manager. Ms. Ervin, Ms. Macklin, and Mayor John Thompson were absent. A quorum was established

PLEDGE OF ALLEGIANCE

Following the pledge of allegiance, a moment of silence was observed to remember victims of violent crime.

PUBLIC COMMENT

Elizabeth Johnson 1443 Cresson St. – Addressed Council to follow-up on her request for the demolition of a property next to her home. President Cohn informed Ms. Johnson that the Borough is currently soliciting quotes.

FINANCE

1. Mid-Year Review

- **2011 Audited Financial Statements**
- **June Financial Reports**
- **Mid-year Financial Condition Report**
- **Management Response to Management Letter**
- **Year-end Projections**

The meeting was turned over to Mr. Lefebvre. He in turn introduced David Egler, Finance Director who introduced Betsy Krisher, audit engagement partner for the Wilkinsburg audit. She introduced Bob Belicose, Manager with Maher Duessel, who accompanied her. Ms. Krisher explained that part of the audit included the preparation of the financial report for DCED, Audited Financial Statements and management letter. She stated that information was confirmed with outside parties and that a litigation letter is obtained from the Solicitor. The auditors compare figures to prior years and budget but not every figure is tested.

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Ms. Macklin arrived at approximately 6:45 p.m.

Ms. Krisher advised that the Management Discussion and Analysis comprised of seven pages offers a concise summary of the overall audit report and provides a narrative analysis. She also pointed out that the footnotes contain a lot of information.

Ms. Macklin commented on the \$6,000,000 figure for net taxes and how it is determined that it is collectible. Ms. Krisher responded that it is based on estimates made by management. Ms. Macklin commented on her interest in trends for the future. Ms. Krisher explained that would require an exhaustive parcel by parcel analysis. Ms. Macklin commented that the increase in business privilege tax receipts is positive. Ms. Macklin noted that the monies spent on capital assets was low. Ms. Macklin commented on the rising costs of healthcare and whether that trend would continue. Ms. Krisher responded that would most likely be the case and most municipalities are seeking increased employee contributions. Ms. Macklin inquired as to lower costs for the Police Department and Ms. Marcinko responded that it was mostly due to deferred salary costs.

Mr. Lefebvre asked Mr. Egler to provide a summary of the June financial reports. Mr. Egler advised that the mid-year condition is better than anticipated. President Cohn inquired as to when we may see the effects of changes to earned income tax collection with Act 32. Mr. Egler stated that tax collection agencies are able to hold monies for 60 days in the first year of implementation and that receivables will most likely be down slightly in the first year. Mr. Egler further commented that he believes the State will eventually take over the collections.

Ms. Macklin inquired as to whether cable franchise fees are paid by satellite providers. President Cohn stated that the cable franchise fee is based upon use of public infrastructure and satellite providers do not impact public infrastructure and therefore are not taxed.

Mr. Lefebvre referred Council to the Mid-year Financial Condition Report and asked if there were questions. Ms. Macklin inquired as to the nearly \$1,200,000 difference in budget projections and mid-year projections.

Ms. Macklin questioned the financial relationship between the Borough and the Library and whether Library funds are accounted for through the Borough and whether additional funds are received by the Library which are not tracked by the Borough. Mr. Egler advised that was the case. Ms. Marcinko explained that the Library, from an accounting standpoint, is treated both as a component unit and a department of the Borough. Ms. Macklin inquired about the deficit fund balance in the Library and whether there is a true deficit or if it is an accounting error. Mr. Egler is currently working with the Library staff to gain a better understanding of the issue. It appears that in 2006 there was an issue with a double entry.

FINANCE

2. Pension funds investment manager.

Based upon the review of qualifications, experience, expertise and compensation to be charged, the proposal of CS McKee has been evaluated as the most qualified. The Borough Manager, Finance Director and Benefits Counsel are requested to move forward to engage CS McKee and terminate the existing relationship with PNC.

Mr. Lefebvre commented that five managers were interviewed and the interview committee unanimously selected CS McKee. Council was previously provided the consultant's report with recommendations. There will be a savings of \$40,000 per year on fees as well as improved earnings/performance.

Ms. Macklin questioned whether a reminder was issued for submission of the Statement of Financial Interest Forms. Ms. Marcinko explained that the Borough is responsible for advising those officials of the requirement to report.

Moved: Mr. Lefebvre

Second: Ms. Macklin

All voted in favor of the motion. Motion carried

GENERAL MATTERS

Consent Agenda

- 1. Approving Resolution 12-059 – VPRP Application 608 Mulberry.**
- 2. Approving Resolution 12-060 – Approving VPRP Application 606 Mulberry.**
- 3. Approving Resolution 12-061 – VPRP Application 604 Mulberry.**

On motion by Ms. Macklin, second by Ms. Goodman, Items 1-3 were placed on a Consent Agenda.

All voted in favor of the motion. Motion carried

President Cohn commented that Pittsburgh History and Landmarks Foundation will be developing these properties for affordable housing.

4. Approving street closure – Lamar Ave.

Ms. Evans commented that the Squonk Opera has been performing free community concerts all over the area. President Cohn announced that the event is sponsored by the

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Second United Presbyterian Church from 9:00 a.m.-3:00 p.m. August 26, 2012. The event is open to the public.

Moved: Ms. Evans

Second: Mr. Lefebvre

All voted in favor of the motion. Motion carried

5. Discussion – Request for quotes – Cleaning Services.

President Cohn commented on the receipt of three quotes and that qualifications are being evaluated. Ms. Trice questioned whether the quotes are for daily service. Ms. Trice suggested that the Borough retain the current service provider and quarterly, more intensive cleanings could be contracted with another company.

6. Discussion – Employee identification badges.

Ms. Macklin requested that the Police Department issue employee identification badges. President Cohn commented that this matter can be handled administratively.

Ms. Evans questioned whether Council would be interested in pursuing a referendum for the sale of alcohol in the Borough. If it were to be placed on the 2013 primary ballot, Council would need to start looking at this in the fall. In order to have the question placed on the ballot, the number of signatures needed on petitions would be approximately 2,500 or 25% of highest number of votes cast in a recent election. Ms. Macklin commented that the Borough may need to consider how to restrict licenses. Ms. Evans suggested that Council could have a representative make a presentation to Council on the process.

Ms. Moore noticed that DPW has been cutting vegetation on private property and requested that the overgrowth at 1635 Laketon Road be addressed.

Mr. Lefebvre requested an opportunity to clarify a couple of items from the last meeting. He commented that Ms. Macklin stated that significant resources had been expended on the amending ordinance for the CACDC, specifically \$1,200 to the Solicitor. Mr. Lefebvre clarified that the cost for the Solicitor's review was \$100. Ms. Macklin apologized for the error.

Mr. Lefebvre stated that it was also intimated by Ms. Macklin at the last meeting that voided checks on a check run earlier in the month had been due to a cash flow problem. The reason for the voided checks was actually due to a clerical error. Ms. Macklin stated that she had inquired as to whether it was a cash flow issue.

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Wilburt Wright – 1315 Clark St. – Requested Council to investigate Community Life and its treatment of residents at the facility. President Cohn asked if he had spoken to representatives for the facility. President Cohn will speak to Mr. Wright after the meeting.

Jackie Martino – 812 South Ave. – President Cohn commented that this matter cannot be discussed publicly due to the potential for litigation.

Kate Luxemburg – 432 Rebecca Ave. – Commented on the possibility of providing assistance to clear vegetation on private properties if there is a clear definition as to what activity is permitted. She stated that DPW cut a tree and left it on her property. President Cohn stated that she should obtain approval from the property owner to work on private property.

Ms. Trice commented on debris in the 1500 block of Swissvale across from MAACO. President Cohn advised that DPW will collect debris from a clean-up project. Sidewalks have to be maintained.

ADJOURNMENT

Being no further business, on motion by Mr. Lefebvre, second by Ms. Goodman, the meeting was adjourned at approximately 8:06 PM.

Jason Cohn, Council President